



RESOLUTION No. 15-067

OF THE BOARD OF SUPERVISORS OF THE COUNTY OF NEVADA

RESOLUTION APPROVING EXECUTION OF THE OPERATIONAL AGREEMENT BETWEEN THE COUNTY OF NEVADA AND SIERRA NEVADA MEMORIAL-MINERS HOSPITAL PERTAINING TO THE PROVISION OF CRISIS STABILIZATION SERVICES ON THE SIERRA NEVADA MEMORIAL-MINERS HOSPITAL CAMPUS

WHEREAS, as a result of SB 82, known as the Investment in Mental Health Wellness Act of 2013, California has an opportunity to expand crisis support services that are expected to improve outcomes for the individuals served and to lead to improved system outcomes for local communities and their community partners; and

WHEREAS, the County was a successful applicant for funding from the California Health Facilities Financing Authority (CHFFA), which in partnership with Sierra Nevada Memorial-Miners Hospital (SNMH), will be used to develop a four-bed Crisis Stabilization Unit (CSU); and

WHEREAS, per Resolution 14-217, the Board of Supervisors accepted funding and approved the execution of the California Health Facilities Financing Authority (CHFFA) Investment in Mental Health Wellness Grant Agreement Number NV-01 for the development of the County's first Crisis Stabilization Unit; and

WHEREAS, the purpose of this Operational Agreement is to delineate the roles and responsibilities of the County and the Hospital and to establish the financial arrangement between the parties related to operation of the CSU; and

WHEREAS, the CSU will provide an essential resource for Nevada County families and community partners, and will serve as an alternative option to longer, more expensive inpatient psychiatric hospitalization services; and will enable mental health consumers to stabilize in a safe, secure community-based environment.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of Supervisors of the County of Nevada, State of California, that the Operational Agreement by and between the County and Sierra Nevada Memorial-Miners Hospital delineating the respective roles and responsibilities and establishing the financial arrangement between the parties related to the operation of the Crisis Stabilization Unit, with the County agreeing to pay Sierra Nevada Memorial-Miners Hospital in the amount of \$302,615 for the first year of operation for services purchased from Sierra Nevada Memorial-Miners Hospital, and the Sierra Nevada Memorial-Miners Hospital agreeing to pay the County \$240,000 for the first year of operation for three (3) dedicated CSU beds, with the payment obligations of each party to be revised annually based on actual project costs and revenue, for the agreement term commencing as of the date of full execution remaining in effect until June 30, 2035, be and hereby is approved in substantially the form attached hereto, and that the Chair of the Board of Supervisors be and is hereby authorized to execute the Agreement on behalf of the County of Nevada.

Funds to be disbursed from account: 1589-40110-493-8301/521520

Revenue received to be deposited into account: 1589-40110-493-8301/452000

PASSED AND ADOPTED by the Board of Supervisors of the County of Nevada at a regular meeting of said Board, held on the 10th day of February, 2015, by the following vote of said Board:

Ayes: Supervisors Nathan H. Beason, Edward Scofield, Dan Miller,
Hank Weston and Richard Anderson.

Noes: None.

Absent: None.

Abstain: None.

ATTEST:

DONNA LANDI
Clerk of the Board of Supervisors

By: *James A. G. Hunter, Deputy*

Edward C. Scofield
Edward C. Scofield, Chair

2/10/2015 cc: BH(2)
AC*(hold)

2/25/2015 cc: BH*
AC*(release)
SNMMH

**OPERATIONAL AGREEMENT BETWEEN THE COUNTY OF NEVADA AND SIERRA
NEVADA MEMORIAL-MINERS HOSPITAL PERTAINING TO THE PROVISION OF CRISIS
STABILIZATION SERVICES ON THE SIERRA NEVADA MEMORIAL-MINERS HOSPITAL
CAMPUS**

This Operational Agreement ("**Agreement**") is dated and effective as of February 10, 2015, by and between the County of Nevada, a political subdivision of the State of California, hereinafter referred to as "**County**", and Sierra Nevada Memorial-Miners Hospital, a California nonprofit public benefit corporation, hereinafter referred to as "**SNMH**", collectively referred to as the "**parties**".

WHEREAS, the County's Behavioral Health Department applied for and was awarded grant funds from The California Health Facilities Financing Authority ("**CHFFA**") originating from Senate Bill (SB) 82, the Investment in Mental Health Wellness Act of 2013, as approved and accepted per County Resolution, to develop a crisis continuum of care to meet the needs of persons at risk of requiring mental health crisis services which includes development and implementation in partnership with SNMH of a Crisis Stabilization Unit ("**CSU**"); and

WHEREAS, the parties have entered into a Ground Lease of even date herewith (the "**Ground Lease**") for the location of a modular building that will be used as the CSU on a suitable site located on the grounds of SNMH; and

WHEREAS, the parties desire to work cooperatively in the development of the CSU and to enter into an Operational Agreement to establish the financial arrangement and delineate the roles and responsibilities of each party related to operation of the CSU.

RECITALS

NOW, THEREFORE, the parties agree to the following terms and conditions:

1. **SCOPE OF SERVICES**: As more fully set forth in the Scope of Services detailed in Exhibit "A" attached hereto, County and SNMH will collaborate to plan, develop, implement, and operate a Crisis Stabilization Unit ("**CSU**"), as part of a crisis continuum of care to meet the needs of individuals in crisis and at risk of requiring inpatient psychiatric care. Patients referred by SNMH for CSU services shall be admitted to the CSU upon mutual agreement of the referring SNMH attending physician and Nevada County Behavioral Health Director or his/her designee only after medical clearance and transferred to the CSU by SNMH. It is understood between the parties that, subject to available CSU bed space outside this Agreement, this Agreement shall not in any way limit the right of the County to accept CSU patients from other non-SNMH entities.
2. **TERM OF AGREEMENT**: This Agreement is effective as of the date of full execution and will remain in effect until June 30, 2035, unless terminated in accordance with the Termination Clause of this Agreement. Notwithstanding the foregoing, if this Agreement is not fully executed by May 1, 2015, this Agreement shall be null and void.

3. **FINANCIAL ARRANGEMENT:** The financial arrangement between the parties is more fully detailed in Exhibit "B" ("*Financial Arrangement*") attached hereto.

The amounts due to County and due to SNMH are based on the projected costs and revenues, as more fully set forth in Attachment "1". The payment obligations of each party will be revised annually, effective July 1 of each year during the term of this Agreement, by mutual agreement between County and SNMH. The revised amounts will be determined each January and based on actual project costs and revenues of the immediate prior calendar year. In no event shall the revised payment obligations of each party increase by more than the average Consumer Price Index ("*CPI*") set forth in the *U.S. City Average CPI for All Urban Consumers All Items* during the twelve-month period from December to December, or three (3) percent, whichever is lower.

4. **TIME IS OF THE ESSENCE:** Time is of the essence with respect to performance under this Agreement.
5. **INSURANCE:** It is agreed that County and SNMH shall each maintain at all times during the performance of this Agreement the following insurance coverage, and shall promptly provide proof of such insurance to the other party as evidenced by a certificate of insurance with, when required, a properly executed endorsement attached, for the following:

a. Commercial General Liability:

- (i) Broad form coverage for liability for death or bodily injury to a person or persons, and for property damage, combined single limit coverage, in the minimum amount of One Million Dollars (\$1,000,000).
- (ii) An endorsement naming the other party as an additional insured under said policy, with respect to claims or suits arising from the Services provided or the relationships created under this Agreement;
- (iii) A provision that said insurance shall be primary and non-contributory, that insurance maintained by the other party shall be excess only and that neither the insured nor the insurer shall seek contribution from any other insurance or self-insurance available to the other party;

b. Automobile Liability Insurance: Parties shall maintain Business Rated or a Commercial Automobile Liability insurance policy, for each vehicle used including non-owned and hired automobiles, as evidenced by a certificate of insurance with properly executed endorsements attached, which insurance shall include the following provisions:

- (i) Liability protection for death or bodily injury to a person or persons, property damage, and uninsured and underinsured coverage, combined single limit coverage, in the minimum amount of One Million Dollars (\$1,000,000);
- (ii) An endorsement naming the other party as an additional insured under said policy, with respect to claims or suits arising from the Services provided or the relationships created under this Agreement;
- (iii) A provision that said insurance shall be primary and non-contributory, that other insurance maintained by the other party and shall be excess only and that neither the insured nor the insurer shall seek contribution from any other insurance or self-insurance available to County;

- c. **Workers' Compensation:** Parties shall maintain said policy as required by law, and shall promptly provide proof of such insurance evidenced by a certificate of insurance or other documentation as acceptable to the other party. The Workers' Compensation insurer shall agree to waive all rights of subrogation against the other party, its agents, officers, employees, and volunteers for losses arising from work performed under this Agreement.

Before commencing to utilize employees in providing Services under this Agreement, the parties warrant that they will comply with the provisions of the California Labor Code, requiring employers to be insured for workers' compensation liability or to undertake a program of self-insurance therefor.

- d. **Professional:** Parties shall maintain either a professional liability or errors and omissions policy including medical malpractice coverage in the minimum amount of One Million Dollars (\$1,000,000) and shall promptly provide proof of such insurance evidenced by a certificate of insurance or other documentation acceptable to the other party.
- e. **Miscellaneous Insurance Provisions:** At all times, parties shall keep and maintain in full force and effect throughout the duration of this Agreement, policies of insurance required by this Agreement which policies shall be issued by companies with a Best's Rating of B+ or higher (B+, B++, A-, A, A+ or A++), or a Best's Financial Performance Rating (FPR) of 6 or higher (6, 7, 8 or 9) according to the current Best's Key Rating Guide, or shall be issued by companies as acceptable to the other party.
- f. **Ability to Use Blanket Policy; Self-Insurance:** Each party's obligations to insure under the foregoing provisions may be provided by appropriate amendment, rider, or endorsement on any blanket policy or policies. At the option of the insured party, the insured party may provide the required limits of liability insurance under a program of self-insurance, provided such program includes appropriate loss reserves which are actuarially derived in accordance with accepted standards of the insurance industry and are accrued or otherwise funded.
- g. **Notice of Cancellation:** County and SNMH shall each provide the other party thirty (30) days written notice of any termination or change in coverage protection, or reduction in coverage limits (except ten (10) days notice for non-payment of premium).

6. INDEMNIFICATION:

- a. **Indemnification by SNMH.** SNMH shall indemnify and hold harmless County and its officers, employees or agents from and against any and all claims, causes of action, liabilities, losses, damages, penalties, assessments, judgments, awards or costs, including reasonable attorneys' fees and costs (including the reasonable costs of County Counsel), arising out of, resulting from, or relating to: (i) the breach of this Agreement by SNMH; or (ii) the negligent acts or omissions or willful misconduct of SNMH or any employee or agent of SNMH relating to this Agreement.
- b. **Indemnification by County.** County shall indemnify and hold harmless SNMH, its members, directors, officers, employees or agents, from and against any and all claims, causes of action, liabilities, losses, damages, penalties, assessments, judgments, awards or costs, including

reasonable attorneys' fees and costs (including the reasonable costs of SNMH's in-house counsel), arising out of, resulting from, or relating to: (i) the breach of this Agreement by County; or (ii) the negligent acts or omissions or willful misconduct of County or any employee or agent of County relating to this Agreement.

7. **PARTIES AS INDEPENDENT**: In providing services herein, SNMH and its agents, employees, and volunteers thereof, and County and its agents, employees, and volunteers thereof, shall act in an independent capacity and not as agents, employees, or volunteers of each other's entities. Each party shall be responsible for all applicable state and federal income, payroll and taxes and any Workers' Compensation coverage as required by California State Laws.
8. **LICENSES/CERTIFICATES**: Each party warrants: (i) it is qualified and competent to provide all Services under this Agreement; (ii) holds all necessary and appropriate licenses therefor; and, (iii) shall obtain, and remain in compliance with, all permits necessary and appropriate to provide said Services. Each party shall cause said licenses and permits to be maintained throughout the life of this Agreement. Failure to do so shall constitute a Material Breach of this Agreement, and, in addition to any other remedy available at law or otherwise, shall serve as a basis upon which the non-breaching party may elect to suspend payments hereunder, or terminate this Agreement, or both.
9. **ASSIGNMENT AND SUBCONTRACTING**: County shall have the authority to assign and/or subcontract its rights, duties and services to be performed under this Agreement. County shall cause and require each transferee, subcontractor and assignee to comply with the insurance provisions set forth in paragraph 5 ("INSURANCE") above, to the extent such insurance provisions are required of the County under this Agreement. Any such assignment and/or subcontracting shall be subject to any restrictions imposed by Section 9 of the Ground Lease, which provisions are hereby incorporated into this Agreement by this reference.
10. **COMPLIANCE WITH APPLICABLE LAWS**: Each party to this Agreement shall comply with any and all federal, state and local laws, codes, ordinances, rules and regulations which relate to, concern or affect the obligations and services to be performed pursuant to this Agreement.
11. **CONFIDENTIALITY**: Each party, its employees, agents and or subcontractors may come in contact with documents that contain information regarding matters that must be kept confidential by the party, including personally identifiable patient or client information. Even information that might not be considered confidential for the usual reasons of protecting non-public records should be considered by the recipient party to be confidential.

Each party agrees to maintain confidentiality of information and records as required by applicable federal, state, and local laws, regulations and rules and recognized standards of professional practice.

Notwithstanding any other provision of this Agreement, each party agrees to protect the confidentiality of any confidential information with which it may come into contact in the process of performing its services and obligations under the Agreement. This information includes but is not limited to all written, oral, visual and printed patient or client information, including but not

limited to: names, addresses, social security numbers, date of birth, driver's license number, case numbers, services provided, social and economic conditions or circumstances, agency evaluation of personal information, and medical data.

Neither party shall retain, copy, use, or disclose this information in any manner for any purpose that is not specifically permitted by this Agreement or required by law. Violation of the confidentiality of patient or client information may, at the option of the non-breaching party, be considered a material breach of this Agreement.

12. **HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA):** SNMH and COUNTY acknowledge that they are "health care providers" and therefore each a Covered Entity, for purposes of the Health Insurance Portability and Accountability Act of 1996 ("**HIPAA**") and the Health Information Technology for Economic and Clinical Health Act of 2009 ("**HITECH**"), and therefore are directly subject to the privacy, security and breach notification requirements therein and the civil and criminal penalties, and shall implement their standards. As Covered Entities, each party shall implement all necessary policies, procedures and training to comply with HIPAA and other applicable laws pertaining to the use, maintenance and disclosure of patient-related information.

13. **DISPUTE RESOLUTION:** The parties acknowledge their desire for a long-term and mutually beneficial business relationship, and to that end agree to attempt to resolve any disagreements or disputes promptly and in good faith, and to make themselves available for business discussions intended to facilitate the resolution of such disagreements or disputes. If the parties are unable to arrive at a mutually satisfactory solution through good faith business discussions, they may, upon mutual agreement, engage in mediation using a mediator or Alternative Dispute Resolution Service acceptable to both parties. The parties shall share the costs of mediation or dispute resolution services equally.

14. **TERMINATION:**

a. Either party may terminate this Agreement for any reason, or without cause, by giving one hundred and eighty (180) days written notice to the other party prior to any subsequent annual anniversary date of this Agreement. In the event of termination not the fault of a party, that party shall be paid for services performed to the date of termination in accordance with the terms of this Agreement.

b. A Material Breach of this Agreement pursuant to the terms hereof or otherwise, in addition to any other remedy available at law, shall serve as a basis upon which either party may elect to immediately suspend payments hereunder, or terminate this Agreement, or both **without notice**.

c. If either party fails to timely provide in any manner the services, materials and products required under this Agreement, or otherwise fails to promptly comply with the terms of this Agreement, or violates any ordinance, regulation or other law which applies to its performance herein, the non-breaching may terminate this Agreement by giving **five (5) days written notice** to the breaching party of the nature of the breach and intent to terminate the Agreement, at which time the breaching party shall have five (5) days from receipt or written notice of the breach to notify the non-

breaching party in writing of its intent to cure the breach within a reasonable period of time, but in no event later than seven (7) days after written notice to the non-breaching party of its intent to cure.

d. County, upon giving **seven (7) calendar days written notice** to SNMH, shall have the right to terminate its obligations under this Agreement if the County, the Federal Government or the State of California, as the case may be, does not appropriate funds sufficient to discharge County's obligations coming due under this contract.

e. Any notice to be provided under this section shall be given in accordance with the requirements set forth in Paragraph 26 ("Notices").

15. DISENTANGLEMENT: SNMH warrants that in the event of any expiration or termination of this Agreement, SNMH shall cooperate with County and County's other vendors and/or subcontractors to ensure a smooth and timely transition of the services and obligations under this Agreement, as set forth in Exhibit A (Scope of Services), being terminated without any material impact on the continued operation of the CSU, including any subsequent CSU partnering entity designated by County (the "***Disentanglement***"). SNMH shall fully cooperate with County and any new CSU partnering entity and otherwise promptly take all steps, including but not limited to providing County and/or County's subsequent CSU partnering entity all requested information or documentation required to assist County in effecting a complete and timely transition to the new CSU partnering entity, and allowing County and/or County's subsequent CSU partnering entity reasonable access to the SNMH property during the disentanglement period. SNMH shall provide for the prompt and orderly conclusion of any remaining services or obligations required under the Agreement in order to assure an orderly transition. All SNMH work done as part of the Disentanglement shall be performed by SNMH. SNMH shall not receive any additional or different compensation for the work otherwise required as part of the Disentanglement process. Any Disentanglement shall be subject to any restrictions imposed by Section 9 of the Ground Lease.

16. SNMH's BOOKS OF RECORD AND AUDIT PROVISION: SNMH shall maintain statistical records and submit reports as required by County. SNMH shall also maintain accounting and administrative books and records, program procedures and documentation relating to licensure and accreditation as they pertain to this Contract. All such financial, statistical and contract-related records shall be retained for seven (7) years or until program review findings and/or audit findings are resolved, whichever is later. Such records shall include but not be limited to bids and all supporting documents, original entry books, canceled checks, receipts, invoices, payroll records, including subsistence, travel and field expenses, together with a general ledger itemizing all debits and credits.

a. **INSPECTION:** Upon reasonable advance notice and during normal business hours or at such other times as may be agreed upon, SNMH shall make all of its books and records available for inspection, examination or copying, to County, or to the State Department of Health Care Services, the Federal Department of Health and Human Services, the Controller General of the United States and to all other authorized federal and state agencies, or their duly authorized representatives.

b. AUDIT: SNMH shall permit the aforesaid agencies or their duly authorized representatives to audit all books, accounts or records relating to this Contract, and all books, accounts or records of any business entities controlled by SNMH who participated in this Contract in any way. All such records shall be available for inspection by auditors designated by County or State, at reasonable times during normal business hours. Any such audit shall be conducted on SNMH's premises, and no records may leave SNMH's premises, unless otherwise mutually agreed by the parties. SNMH shall promptly refund any moneys erroneously charged and shall be liable for the costs of audit if the audit establishes an over-charge of five percent (5%) or more of the Maximum Contract Price.

17. COUNTY'S BOOKS OF RECORD AND AUDIT PROVISION:

a. To the extent required by applicable law, County shall make available, upon written request from SNMH, the Secretary of Health and Human Services, the Comptroller General of the United States, or any other duly authorized agent or representative, this Agreement, and County's books, documents and records related to the provision of Services pursuant to this Agreement. County shall preserve and make available such books, documents and records for a period of seven (7) years after the end of the term of this Agreement. If County is requested to disclose books, documents or records pursuant to this Section for any purpose, County shall notify SNMH of the nature and scope of such request, and County shall make available, upon written request of SNMH, all such books, documents or records.

b. If County carries out any of the duties of this Agreement through a subcontract with a related organization ("*Subcontractor*"), with a value or cost of Ten Thousand Dollars (\$10,000) or more over a twelve (12) month period, such subcontract shall contain a clause to the effect that until the expiration of seven (7) years after the end of the term of such subcontract, the related organization shall make available, upon written request from the Secretary of Health and Human Services, or upon request by SNMH, Comptroller General of the United States, or any other duly authorized agent or representatives, the subcontract and Subcontractor's books, documents and records of such organization that are necessary to verify the nature and extent of such costs.

18. NON-DISCRIMINATION: During the performance of this Agreement, parties shall not unlawfully discriminate against any employee or applicant for employment, or recipient of services, because of race, religion, color, national origin, ancestry, sex, sexual orientation, physical handicap, medical condition, marital status, or age, or other protected status, pursuant to all applicable State and Federal statutes and regulations.

19. ACCESSIBILITY: It is the policy of the County of Nevada that all County services, programs, meetings, activities and facilities shall be accessible to all persons, and shall be in compliance with the provisions of the Americans with Disabilities Act and Title 24, California Code of Regulations. To the extent this Agreement shall call for SNMH to provide County contracted services directly to the public, SNMH shall certify that said direct Services are and shall be accessible to all persons.

20. ASSURANCES: In entering into this Agreement, each party certifies that it is not currently excluded, suspended, debarred, or otherwise ineligible to participate in the Federal Health Care Programs: that it has not be convicted of a criminal offense related to the provision of health care

items or services; nor has it been reinstated to participation in the Federal Health Care Programs after a period of exclusion, suspension, debarment, or ineligibility.

21. **THIRD PARTY BENEFICIARIES:** Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon or give to any person or entity other than the Parties hereto and their successors and permitted assigns, any rights or remedies under or by reason of this Agreement.
22. **JURISDICTION AND VENUE:** This Agreement shall be construed in accordance with the laws of the State of California and the parties hereto agree that venue shall be in Nevada County, California.
23. **FORCE MAJEURE:** Neither party, its agents, employees, contractors, vendors, or subcontractors, if any, shall be responsible hereunder for any delay, default, or nonperformance of this Agreement, to the extent that such delay, default, or nonperformance is caused by an act of God, weather, accident, labor strike, fire, explosion, riot, war, rebellion, sabotage, flood, or other contingencies unforeseen, and beyond the reasonable control of such party, its agents, employees, contractors, vendors, or subcontractors.
24. **SEVERABILITY:** If any provisions of this Agreement are found to be unlawful or unenforceable, such provisions will be voided and severed from this Agreement without affecting any other provision of this Agreement. However, the validity and enforceability of the remaining terms shall not be affected by the deletion of the unenforceable terms.
25. **ENTIRE AGREEMENT; AMENDMENT:** This Agreement (and any exhibits and/or attachments, which are incorporated herein by this reference) constitutes the entire Agreement of the parties, and no other written or oral evidence shall be construed to be part of this Agreement. The parties may at any time amend this Agreement by mutual consent in writing as necessary to achieve the contractual objectives of the parties.
26. **NOTICES:** In addition to personal service, all notices shall be given to the County and SNMH by first class mail at the addresses set forth below. Said notices shall be deemed received the fifth (5th) day following the date of mailing or the earlier date of personal service, as the case may be.
- | | |
|-------------------------------------|---|
| County of Nevada | Sierra Nevada Memorial-Miners Hospital |
| Attn: Director of Behavioral Health | Attn: President & Chief Executive Officer |
| 500 Crown Point Circle, Suite 120 | 155 Glasson Way |
| Grass Valley, CA 95945 | Grass Valley, CA 95945 |
| (530) 470-2784 | (530) 264-6000 |
27. **AUTHORITY:** All individuals executing this Agreement warrant that they are authorized to execute and deliver this Agreement on behalf of the executing party.
28. **COUNTERPARTS:** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. When signed in pen ink, this Agreement may be delivered between the Parties by facsimile transmission or scanned email attachment, and said copy shall be treated in all respects as an original.

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the Beginning Date above.

Sierra Nevada Memorial Hospital:


Katherine A. Medeiros, CEO

Date:

2/10/15

County of Nevada:


Rebecca Slade, MFT
Interim Behavioral Health Director

Date:

2/10/15


Chair, Board of Supervisors

Date:

2/10/15

Approved as to Form:

Dignity Health Legal Department

Approved as to Form:


County Counsel

EXHIBIT "A"

SCOPE OF SERVICES

Crisis Stabilization Unit Operations

Program Plan: Under the scope of this Agreement, County and SNMH shall collaborate to plan, develop, implement, and operate a four bed Crisis Stabilization Unit ("*CSU*"), as part of a crisis continuum of care to meet the needs of individuals at risk of requiring crisis services. The CSU will offer stabilization services lasting less than 24 hours to help resolve an acute psychiatric and/or co-occurring (substance use/mental health) crisis episode. The CSU will provide mental health stabilization services, which include mental health assessment, medication assessment, psychotherapy, nursing, and case management, to adult residents of both eastern and western Nevada County, and to others on a case by case basis. The development of a CSU will allow individuals to receive services in the least restrictive and most appropriate setting, preventing psychiatric hospitalizations, as well as promoting wellness, resiliency, and recovery.

County shall provide:

1. Oversight and compliance of the CSU per State guidelines (CCR Title 9, sections 1840.338 and 1840.348). The County will issue a Request for Proposal ("*RFP*") and award a contract to a qualified entity to provide the staffing for the CSU, which will include a full-time Registered Nurse (RN), Psychiatric Technician, or Licensed Vocational Nurse and a full-time licensed or waived/registered mental health professional to be on site at all times clients are present. Any such award shall be subject to any restrictions imposed by Section 9 of the Ground Lease.
2. Purchase a modular building for the CSU to be placed on the SNMH campus, located near the Emergency Department, as well as purchase all furniture and equipment required to provide services in the CSU.
3. Operational oversight of the CSU including:
 - a. billing for Crisis Stabilization services,
 - b. developing processes and procedures for admission, discharges, and important treatment interventions of clients in the CSU,
 - c. monitoring and ensuring that the services to be delivered by SNMH to the CSU pursuant to this Agreement are provided.
4. Three beds reserved for patients medically cleared by SNMH.

SNMH shall provide:

1. **Medical Screening Exam:** Patients/Clients referred by SNMH will be medically cleared through SNMH's Emergency Department physician prior to admission to the CSU. If the need

for medical services occurs while a patient is in the CSU, that patient will be admitted to SNMH's Emergency Department.

2. **Meals/ Nutritional Services:** includes serving clients 3 meals a day, plus SNMH will stock a nutritional room with snacks, fruit and drinks for patients. SNMH will accommodate special diets based on medical conditions including heart healthy, low sodium, consistent carbohydrates and vegetarian. SNMH will also provide basic nutritional assessment when mutually agreed, Monday through Friday, 8am to 5pm, and only when not in conflict with another SNMH's emergent patient's requirements.
3. **Environmental Services (EVS):** includes daily cleaning of general areas, terminal cleaning of rooms at discharge, disposal of trash, disposal of medical supplies, and sanitation of areas. SNMH will have someone to respond to needs 24 hours per day.
4. **Linens:** SNMH will provide towels, bed linens, and bedding needed for the CSU, on a daily basis and when rooms are being cleaned.
5. **Admit Kits:** will be provided by SNMH to clients and will include basic toiletries items such as tooth brush/toothpaste, etc.
6. **Security:** SNMH will be responsible for providing a security patrol for the exterior common areas of the SNMH grounds, which shall include patrol of the CSU building and response to calls from CSU staff for immediate assistance related to security incidents within the CSU, 24 hours per day/7 days per week.
7. **Psychiatry Telemedicine:** patients in the CSU will have access to being monitored and evaluated by a board certified psychiatrist through SNMH's psychiatry telemedicine system. SNMH will facilitate provision of the telemedicine robot which would remain in the CSU, any network hardware or software needed to set up the telemedicine consults as well as ongoing IT support.
8. **Utilities:** SNMH will provide the utilities for the CSU pursuant to Section 11 of the Ground Lease.
9. **Contact and Resolution:** SNMH will provide the County with contact names and phone numbers to address any need for the services noted in this section. The standard of services in this section will be comparable to the quality and response of these services customary provided within other SNMH units. SNMH will be responsible to address any problems in timeliness, quality, or other aspects of these services.

EXHIBIT "B"
FINANCIAL ARRANGEMENT

For satisfactory performance of services in accordance with Exhibit "A", County shall pay to SNMH \$302,615 for the 12 months beginning July 1, 2015 and ending June 30, 2016, subject to a prorated reduction of \$829.08 per day for any partial year of operation. SNMH shall pay to County \$240,000 for three (3) dedicated CSU beds for 12 months beginning July 1, 2015 and ending June 30, 2016, subject to a prorated reduction of \$657.53 per day for any partial year of operation.

SNMH will provide a spreadsheet with downloaded detail and summary data from SNMH's financial system as evidence of SNMH's actual project costs. County will provide a spreadsheet with downloaded detail and summary data from the County financial system and electronic employee timesheets as evidence of County actual project costs. County will provide reports from the County's financial system and the Behavioral Health Department's Electronic Health Record System as evidence of Federal Financial Participation and other revenues received for CSU services. Copies of invoices, remittance advices, or other primary evidence of revenues and expenditures will be made available annually by both parties if requested to verify costs and revenues.

Compensation for services provided by SNMH:

As compensation for services rendered to County, SNMH shall be paid one-quarter of the contract amount for services provided by SNMH each quarter of the contract term, or as prorated as described above, regardless of the number of patients served in the CSU.

Invoices are due to County by the 15th of the month following the end of the quarter. County shall review the invoice and notify SNMH within fifteen (15) working days if the invoice is questioned. Payment shall be made within thirty (30) days of receipt of an approved invoice. To expedite payment, SNMH shall reference the Resolution Number assigned to their Contract on each invoice.

SNMH shall submit invoices to: Nevada County Behavioral Health Department
Attn: Fiscal Staff
500 Crown Point Circle, Suite 120
Grass Valley, CA 95945

Compensation for CSU Dedicated Bed Availability provided by County:

As compensation for the three Dedicated CSU Beds made available by County to patients discharged to the CSU by SNMH, County will be paid one-quarter of the contract amount of \$240,000 quarterly, or as prorated as described above, regardless of occupancy.

Invoices are due to SNMH by the 15th of the month following the end of the quarter. SNMH shall review and notify County within fifteen (15) working days if the invoice is questioned. Payment shall be made within thirty (30) days of receipt of an approved invoice.

County shall submit invoices to: Sierra Nevada Memorial-Miners Hospital
Attn: Chief Financial Officer/Administration
155 Glasson Way
Grass Valley, CA 95945

Attachment 1			
CSU Estimated Budget			
FY 2015-16 (First Year)			
Basis for estimates: 728 patient days (50% occupancy)			
A. Estimated County Expenditures			
Staffing Contract (RN, MH Therapist, Peer Support, Management, related c	\$ 858,343		
IT Charges	4,800		
Pharmacy (estimated at \$32.95/patient-day)	24,000		
Office Supplies	3,640		
County Administrative costs	177,673		
Subtotal County Internal and Other Contracts			\$ 1,068,456
Purchased from SNMH:			
Utilities	\$ 2,400		
Meals/Nutritional Svcs (3 meals/day/client, nutritional room stocked)	52,820		
Environmental Svcs (cleaning, trash & med supply disposal, sanitation)	110,405		
Linen Service	6,340		
Hospital Admit Kit	3,645		
Security	24,805		
Telemed contract	102,200		
Subtotal Purchased from SNMH			302,615
Total County Estimated Expenditures			\$ 1,371,071
B. Estimated County Revenues			
MediCal estimate (728 days, \$99.51/hr, max poss 20 hrs/day, 50% FFP)	\$ 685,535		
MediCare estimate and Private Insurance estimate	18,111		
Subtotal Insurance Revenues			\$ 703,646
SNMH:			
Guaranteed bed rate (for patients discharged from SNMH to CSU)	\$ 80,000		
Guaranteed beds purchased by SNMH	3		240,000
Total County Estimated Revenues			\$ 943,646
Net Estimated Cost to County			\$ 427,425